

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

TERWIN WAREHOUSE MANAGEMENT  
LLC, as Program Administrator for and  
Assignee of TERWIN MORTGAGE  
WAREHOUSE TRUST II, SERIES XVI, and  
TERWIN ADVISORS LLC,

Plaintiffs,

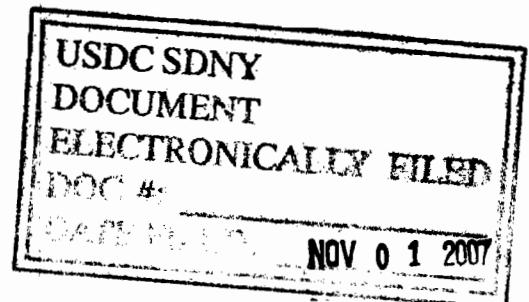
-against-

SPECTRUM FINANCIAL GROUP, INC.,  
JERRY CRAIG, SR. and  
JERRY CRAIG, JR.,

Defendants.

07 Civ. 5632 (LTS)

**ORDER TO SHOW CAUSE**



Upon the annexed Declaration of Charles R. Jacob III, dated October 31, 2007, and the exhibits annexed thereto, and sufficient cause appearing, it is hereby:

ORDERED, that Defendants Jerry Craig, Sr. and Jerry Craig, Jr.

(collectively, the "Individual Defendants") show cause before this Court in Courtroom

No. 17C, Daniel Patrick Moynihan U.S. Courthouse, 500 Pearl Street, New York, New

York, on the 19<sup>th</sup> day of November 2007 at 3 o'clock of that day, or as soon

*in the afternoon*

thereafter as counsel can be heard, why an order should not be issued pursuant to Fed. R.

Civ. P. 37(b)(2)(B), (C) and the Court's Initial Conference Order, dated June 20, 2007,

precluding evidence and defenses of the Individual Defendants with respect to the Fourth,

Fifth and Sixth Causes of Action of Plaintiff's Complaint, dated June 13, 2007; and it is

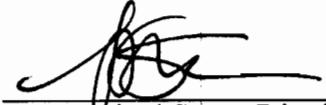
further

✓ ORDERED that service by Federal Express on the Individual Defendants,  
each of ✓  
of a copy of this order and the papers upon which it is based on or before November 5, ✓  
2007 at 7047 East Greenway Parkway, Suite 400, Scottsdale, Arizona 85254, be deemed  
good and sufficient notice of this application and Order; and it is further

✓ ORDERED that answering papers, if any, are to be served so as to be

✓ received by plaintiffs' counsel, Miller & Wrubel P.C., 250 Park Avenue, New York, New  
York 10177, (f) (212) 336-3555 on or before 5:00 p.m. on November 15, 2007. ✓

✓ Dated: New York, New York  
November 1, 2007

  
United States District Judge